

Statement of Considerations

REQUEST BY OBG TECHNICAL SERVICES, INC., FOR AN
ADVANCE WAIVER OF DOMESTIC AND FOREIGN RIGHTS IN
SUBJECT INVENTIONS MADE IN THE COURSE OF OR UNDER
DEPARTMENT OF ENERGY CONTRACT NO. DE-AC05-85OR21400;
SUBCONTRACT NO. 1EK-EYD55C; DOE WAIVER DOCKET
W(A)-94-016 [ORO-580]

OBG Technical Services, Inc., (OBG) has made a timely request for an advance waiver to worldwide rights in Subject Inventions made in the course of or under Department of Energy (DOE) Contract No. DE-AC05-85OR21400; Subcontract No. 1EK-EYD55C. The scope of the work calls for examining the effectiveness of soda blasting for the removal of low level radiation contamination from concrete and steel surfaces, dissolving the sodium bicarbonate and treating the contaminated water. The work is sponsored by the Office of Technology Development.

The dollar amount of the subcontract is \$252,923 with OBG cost sharing \$50,585, 20% of the subcontract, plus waiver of the 7.5% fee equal to \$18,969.

OBG, specializing in environmental contracting and remediation, is a subsidiary of O'Brien & Gere Limited, a holding company of seven corporations that include, in addition to the petitioner, O'Brien & Gere Engineers, Inc., OBG Laboratories, Inc., Specialized Process Equipment, Inc., OBG Operations, Inc., Brittonfield Services, Inc., and Buckley Road Properties, Inc. Among them they have over 800 employees and 27 regional offices consisting of professional engineers, scientists, chemists and a professional support staff. OBG holds a patent for treatment of dioxin contaminated media.

OBG has been an authorized distributor for Church and Dwight Company, Inc.'s Armex/Accustrip System™ for four years, during which time it has been developing skills to effectively work with the blasting system of this subcontract. OBG has made a proprietary modification to the blasting process which it will use during the performance of the subcontract. Therefore, OBG's experience and expertise will contribute substantially to the development and commercialization of the inventions made under the subcontract.

The subcontract has been executed and is proceeding with the standard DOE long form patent rights clause. If the requested waiver is approved, a patent rights clause embodying the standard DOE waiver terms and conditions, approved by OBG, including march-in rights, retention by the government of a license, preference for U.S. industry, and U.S. Competitiveness clauses will be added by a no-cost modification to the subcontract. The advance patent waiver will also contain a paragraph that limits OBG's ability to alienate waived rights. Specifically, OBG shall not transfer rights in any invention without prior approval of DOE. Also, should there be a change in ownership of OBG, rights in inventions will be suspended until approval by DOE of the entity obtaining controlling interest having the waiver.

In the U.S. Competitiveness clause to be added to the subcontract, OBG agrees that any product, process or service using a U.S. patent resulting from a Subject Invention or any other intellectual property used in performing

work under this subcontract shall be manufactured or practiced substantially in the United States.

Granting of the waiver should have little effect on competition since there are several technology options, this being one of many previously or yet-to-be developed in the marketplace. Therefore, there should not be undue market concentration of OBG products.

Grant of the requested waiver should serve as encouragement to other DOE contractors and subcontractors that significant cost sharing will be recognized as an acceptable consideration for granting greater rights in Subject Inventions.

In view of the acceptable level of cost sharing by OBG and the objectives and considerations set forth in 41 CFR 9-9.109, all of which have been considered, it is recommended that the requested waiver for worldwide rights be granted.


Katherine Lovingood
Senior Patent Attorney

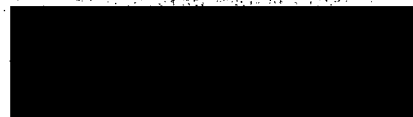
Based on the foregoing Statement of Considerations and the representations in the attached Waiver Petition, it is determined that the interest of the United States and the general public will best be served by a waiver of U.S. and foreign patent rights, and therefore, the waiver is granted. This waiver shall not apply to a modification or extension of the cost-shared subcontract where, through such a modification or extension, the purpose, scope or cost of the subcontract has been substantially altered.

CONCURRENCE:


Clyde William Frank
Deputy Assistant Secretary for
Technology Development

Date: 7/17/95

APPROVAL:


Paul A. Gottlieb
Assistant General Counsel
for Technology Transfer
and Intellectual Property

Date: 7-18-95